

TOTAL FRC: 20C				\$1,484.07	\$0.00	\$1,484.07
TOTAL ACCOUNT: 2111 LAND				\$1,484.07	\$0.00	\$1,484.07
C86655	2121 BUILDINGS	210C	1949	\$12,315.00	\$6,856.53	\$5,458.47
C86655		210C	1951	\$1,226.36	\$668.34	\$558.02
C86655		210C	1964	\$134.55	\$68.49	\$66.06
TOTAL FRC: 210C				\$13,675.91	\$7,593.37	\$6,082.54
TOTAL ACCOUNT: 2121 BUILDINGS				\$13,675.91	\$7,593.37	\$6,082.54
C86655	2232 CIRCUIT ANALOG	57C	1976	\$60.04	\$60.04	\$0.00
C86655		57C	1978	\$323.47	\$323.47	\$0.00
C86655		57C	1981	\$138.97	\$138.97	\$0.00
C86655		57C	1982	\$142.97	\$142.97	\$0.00
TOTAL FRC: 57C				\$665.45	\$665.45	\$0.00
TOTAL ACCOUNT: 2232 CIRCUIT ANALOG				\$665.45	\$665.45	\$0.00
TOTAL LOCATION: C86655				\$15,825.43	\$8,258.82	\$7,566.61
<u>GRAND TOTAL</u>			<u>495,309</u>	<u>\$1,033,646.62</u>	<u>\$628,098.33</u>	<u>\$405,548.29</u>

COMPANY: U S WEST COMMUNICATIONS
STATE: IOWA
EXCHANGE: WSLYIA
BUYER: CITIZENS
VIEW: WSLYIA.D99

**SUMMARY NET BOOK COST
 AS OF DECEMBER 1999**

LOCATION	ACCOUNT DESCRIPTION	FRC	AIC	YEAR	UNITS	ORIGINAL COST	MR	
							RESERVE	NET BOOK COST
C86165	2111 LAND	20C		1941		\$141.75	\$0.00	\$141.75
C86165		20C		1963		\$1,820.60	\$0.00	\$1,820.60
TOTAL FRC: 20C						\$1,962.35	\$0.00	\$1,962.35
TOTAL ACCOUNT: 2111 LAND						\$1,962.35	\$0.00	\$1,962.35
C86165	2121 BUILDINGS	210C		1941		\$653.00	\$390.73	\$262.27
C86165		210C		1952		\$260.00	\$139.82	\$120.18
C86165		210C		1954		\$40.00	\$21.77	\$18.23
C86165		210C		1960		\$33.00	\$16.34	\$16.66
C86165		210C		1962		\$59.42	\$29.66	\$29.76
C86165		210C		1963		\$5,174.69	\$2,942.24	\$2,232.45
C86165		210C		1973		\$16,064.46	\$5,757.84	\$10,306.63
C86165		210C		1974		\$2,187.97	\$775.30	\$1,412.67
C86165		210C		1976		\$386.35	\$132.88	\$253.47
C86165		210C		1978		\$54.89	\$16.16	\$38.73
C86165		210C		1979		\$1,579.89	\$480.84	\$1,099.05
C86165		210C		1981		\$877.84	\$232.31	\$645.53
C86165		210C		1986		\$5,169.56	\$1,157.39	\$4,012.17
C86165		210C		1991		\$8,962.61	\$1,481.06	\$7,481.55
C86165		210C		1992		\$41,798.80	\$5,613.04	\$36,185.76
C86165		210C		1999		\$4,026.93	\$34.75	\$3,992.18
TOTAL FRC: 210C						\$87,329.41	\$19,222.14	\$68,107.27
TOTAL ACCOUNT: 2121 BUILDINGS						\$87,329.41	\$19,222.14	\$68,107.27
C86165	2212 DIGITAL SW EQUIP	377C		1941		\$84.87	\$84.87	\$0.00
C86165		377C		1963		\$356.53	\$356.53	\$0.00

06/15/2000

C86165	377C	1973	\$3,288.60	\$3,288.60	\$0.00
C86165	377C	1974	\$586.50	\$586.50	\$0.00
C86165	377C	1975	\$2,528.52	\$2,528.52	\$0.00
C86165	377C	1989	\$16,333.13	\$11,493.03	\$4,840.10
C86165	377C	1992	\$201,422.40	\$113,331.72	\$88,090.68
C86165	377C	1993	\$5,688.68	\$2,886.04	\$2,802.64
C86165	377C	1994	\$1,529.35	\$683.97	\$845.38
C86165	377C	1995	\$12,818.90	\$4,895.75	\$7,923.15
C86165	377C	1996	\$402.22	\$125.03	\$277.19
C86165	377C	1997	\$2,467.70	\$575.80	\$1,891.90
C86165	377C	1999	\$5,907.90	\$317.07	\$5,590.83

TOTAL FRC: 377C

\$253,415.30

\$141,153.44

\$112,261.86

TOTAL ACCOUNT: 2212 DIGITAL SW EQUIP

\$253,415.30

\$141,153.44

\$112,261.86

C86165	2232 CIRCUIT DIGITAL	257C	1997	\$101.71	\$36.37	\$65.34
--------	----------------------	------	------	----------	---------	---------

TOTAL FRC: 257C

\$101.71

\$36.37

\$65.34

C86165	357C	1979	\$2,469.80	\$2,469.80	\$0.00
C86165	357C	1980	\$225.96	\$225.96	\$0.00
C86165	357C	1981	\$737.69	\$737.69	\$0.00
C86165	357C	1982	\$15,473.81	\$15,473.81	\$0.00
C86165	357C	1983	\$299.38	\$299.38	\$0.00
C86165	357C	1984	\$476.91	\$476.91	\$0.00
C86165	357C	1985	\$516.53	\$513.47	\$3.06
C86165	357C	1986	\$670.08	\$650.24	\$19.84
C86165	357C	1987	\$499.10	\$471.05	\$28.05
C86165	357C	1988	\$776.48	\$709.56	\$66.92
C86165	357C	1989	\$2,591.33	\$2,280.21	\$311.12
C86165	357C	1990	\$695.25	\$585.08	\$110.17
C86165	357C	1991	\$2,802.96	\$2,236.34	\$566.62
C86165	357C	1992	\$133,606.01	\$99,934.77	\$33,671.24
C86165	357C	1993	\$1,234.15	\$852.60	\$381.55
C86165	357C	1994	\$200.62	\$125.41	\$75.21
C86165	357C	1995	\$6.31	\$3.47	\$2.85
C86165	357C	1996	\$1,643.63	\$757.49	\$886.14
C86165	357C	1997	\$20.60	\$7.37	\$13.23
C86165	357C	1998	\$70.47	\$16.61	\$53.86

TOTAL FRC: 357C

\$165,017.07

\$128,827.20

\$36,189.87

06/15/2000

TOTAL ACCOUNT: 2232 CIRCUIT DIGITAL						\$165,118.78	\$128,863.58	\$36,255.20
C86165	2232 CIRCUIT ANALOG	57C		1978		\$1,273.18	\$1,273.18	\$0.00
C86165		57C		1979		\$1,539.50	\$1,539.50	\$0.00
C86165		57C		1980		\$589.34	\$589.34	\$0.00
C86165		57C		1981		\$556.33	\$556.33	\$0.00
C86165		57C		1982		\$8,564.06	\$8,564.06	\$0.00
C86165		57C		1988		\$75.17	\$75.17	\$0.00
C86165		57C		1991		\$3,156.20	\$2,939.04	\$217.16
C86165		57C		1992		\$4,720.20	\$4,184.43	\$535.77
C86165		57C		1993		\$10.81	\$8.99	\$1.82
C86165		57C		1994		\$32.79	\$25.08	\$7.71
C86165		57C		1995		\$3,000.00	\$2,045.31	\$954.69
C86165		57C		1998		\$4,801.17	\$1,346.20	\$3,454.97
TOTAL FRC: 57C						\$28,318.75	\$23,146.64	\$5,172.11
C86165		457C		1964		\$119.15	\$119.15	\$0.00
C86165		457C		1965		\$40.35	\$40.35	\$0.00
C86165		457C		1966		\$32.83	\$32.83	\$0.00
C86165		457C		1968		\$269.75	\$269.75	\$0.00
C86165		457C		1976		\$46.70	\$46.70	\$0.00
TOTAL FRC: 457C						\$508.78	\$508.78	\$0.00
TOTAL ACCOUNT: 2232 CIRCUIT ANALOG						\$28,827.53	\$23,655.42	\$5,172.11
C86165	2411 POLE LINES	1C	1120	1963	2	\$44.42	\$44.42	\$0.00
POLE 016 TO 022 FT		TOTAL AIC: 1120			2	\$44.42	\$44.42	\$0.00
C86165		1C	1130	1941	1	\$62.46	\$62.46	\$0.00
POLE 030 FT		TOTAL AIC: 1130			1	\$62.46	\$62.46	\$0.00
C86165		1C	1135	1938	1	\$79.85	\$79.85	\$0.00
POLE 035 FT		TOTAL AIC: 1135			1	\$79.85	\$79.85	\$0.00
C86165		1C	1140	1959	1	\$123.50	\$123.50	\$0.00

POLE 040 FT				TOTAL AIC: 1140	1	\$123.50	\$123.50	\$0.00
				TOTAL FRC: 1C	5	\$310.23	\$310.23	\$0.00
				TOTAL ACCOUNT: 2411 POLE LINES	5	\$310.23	\$310.23	\$0.00
C86165	2423 BURIED CABLE MET	35C	1998			\$0.00	\$0.00	\$0.00
C86165		35C	1999			\$0.00	\$0.00	\$0.00
				TOTAL FRC: 35C		\$0.00	\$0.00	\$0.00
C86165		45C	2300	1901	5	\$3,540.50	\$2,362.89	\$1,177.61
				TERMINAL CABLE OUTSIDE 0100PR 0101 TOTAL AIC: 2300	5	\$3,540.50	\$2,362.89	\$1,177.61
C86165		45C	2302	1983	1	\$2,097.64	\$1,681.21	\$416.43
				TERMINAL CABLE OUTSIDE 0200PR 0171 TOTAL AIC: 2302	1	\$2,097.64	\$1,681.21	\$416.43
C86165		45C	2304	1901	1	\$1,517.85	\$1,012.99	\$504.86
				TERMINAL CABLE OUTSIDE 0400PR 0351 TOTAL AIC: 2304	1	\$1,517.85	\$1,012.99	\$504.86
C86165		45C	2306	1982	1	\$4,148.80	\$3,437.42	\$711.38
C86165		45C	2306	1983	4	\$18,501.20	\$14,828.25	\$3,672.95
				TERMINAL CABLE OUTSIDE 0600PR 0501 TOTAL AIC: 2306	5	\$22,650.00	\$18,265.67	\$4,384.33
C86165		45C	2308	1901	1	\$3,814.38	\$2,545.67	\$1,268.71
C86165		45C	2308	1983	1	\$5,282.00	\$4,233.39	\$1,048.61
				TERMINAL CABLE OUTSIDE 1200PR 1051 TOTAL AIC: 2308	2	\$9,096.38	\$6,779.06	\$2,317.32
C86165		45C	2755	1901	3	\$2,784.21	\$1,858.15	\$926.06
C86165		45C	2755	1982	1	\$1,409.89	\$1,168.14	\$241.75
C86165		45C	2755	1983	4	\$6,128.48	\$4,911.82	\$1,216.66
				CASE LOAD COIL 0100PR 0100-0125PR TOTAL AIC: 2755	8	\$10,322.58	\$7,938.11	\$2,384.47
C86165		45C	2757	1982	2	\$4,851.84	\$4,019.92	\$831.92

CASE LOAD COIL 0200PR 0176-0250PR TOTAL AIC: 2757					2	\$4,851.84	\$4,019.92	\$831.92
C86165	45C	2758	1901	1		\$2,944.74	\$1,965.28	\$979.46
CASE LOAD COIL 0300PR 0251-0350PR TOTAL AIC: 2758					1	\$2,944.74	\$1,965.28	\$979.46
C86165	45C	2905	1901	56,739		\$30,071.67	\$20,069.46	\$10,002.21
WIRE BURIED 0001PR TOTAL AIC: 2905					56,739	\$30,071.67	\$20,069.46	\$10,002.21
C86165	45C	2907	1998	1,936		\$9,307.70	\$946.58	\$8,361.12
WIRE BURIED 0004PR 0003-0004PR TOTAL AIC: 2907					1,936	\$9,307.70	\$946.58	\$8,361.12
C86165	45C	5310	1963	9,323		\$5,500.57	\$5,500.57	\$0.00
C86165	45C	5310	1966	72		\$42.48	\$42.48	\$0.00
C86165	45C	5310	1969	1,140		\$672.60	\$672.60	\$0.00
C86165	45C	5310	1974	100		\$59.00	\$57.46	\$1.54
CABLE 0006PR 19G 0006-0008PR TOTAL AIC: 5310					10,635	\$6,274.65	\$6,273.11	\$1.54
C86165	45C	5326	1969	395		\$240.95	\$240.95	\$0.00
CABLE 0011PR 19G 0009-0013PR TOTAL AIC: 5326					395	\$240.95	\$240.95	\$0.00
C86165	45C	5330	1965	1,055		\$717.40	\$717.40	\$0.00
C86165	45C	5330	1966	5,955		\$4,049.40	\$4,049.40	\$0.00
C86165	45C	5330	1976	4,880		\$3,318.40	\$3,115.34	\$203.06
C86165	45C	5330	1977	2,650		\$1,802.00	\$1,656.23	\$145.77
C86165	45C	5330	1980	19,880		\$13,518.40	\$11,493.56	\$2,024.84
C86165	45C	5330	1982	154,445		\$305,801.10	\$253,366.78	\$52,434.32
C86165	45C	5330	1983	760		\$1,558.00	\$1,248.70	\$309.30
CABLE 0011PR 22G 0009-0013PR TOTAL AIC: 5330					189,625	\$330,764.70	\$275,647.42	\$55,117.28
C86165	45C	5334	1966	3,363		\$2,152.32	\$2,152.32	\$0.00
CABLE 0011PR 26G 0009-0013PR TOTAL AIC: 5334					3,363	\$2,152.32	\$2,152.32	\$0.00
C86165	45C	5340	1963	1,044		\$720.36	\$720.36	\$0.00
CABLE 0016PR 19G 0014-0020PR TOTAL AIC: 5340					1,044	\$720.36	\$720.36	\$0.00

C86165	45C	5344	1963	14,491	\$10,578.43	\$10,578.43	\$0.00	
C86165	45C	5344	1972	4,150	\$3,029.50	\$3,029.50	\$0.00	
C86165	45C	5344	1975	12,057	\$8,801.61	\$8,423.33	\$378.28	
C86165	45C	5344	1977	1,080	\$788.40	\$724.63	\$63.77	
C86165	45C	5344	1980	2,950	\$2,153.50	\$1,830.94	\$322.56	
C86165	45C	5344	1982	57,435	\$121,187.85	\$100,408.32	\$20,779.53	
C86165	45C	5344	1985	155	\$522.35	\$387.28	\$135.07	
C86165	45C	5344	1991	375	\$1,766.25	\$893.64	\$872.61	
CABLE 0016PR 22G 0014-0020PR				TOTAL AIC: 5344	92,693	\$148,827.89	\$126,276.07	\$22,551.82
C86165	45C	5346	1972	1,908	\$1,182.96	\$1,182.96	\$0.00	
CABLE 0016PR 24G 0014-0020PR				TOTAL AIC: 5346	1,908	\$1,182.96	\$1,182.96	\$0.00
C86165	45C	5356	1962	19	\$15.20	\$15.20	\$0.00	
C86165	45C	5356	1974	1,690	\$1,352.00	\$1,316.62	\$35.38	
C86165	45C	5356	1975	24	\$19.20	\$18.37	\$0.83	
CABLE 0025PR 19G 0021-0038PR				TOTAL AIC: 5356	1,733	\$1,386.40	\$1,350.19	\$36.21
C86165	45C	5360	1963	14,600	\$11,972.00	\$11,972.00	\$0.00	
C86165	45C	5360	1966	778	\$637.96	\$637.96	\$0.00	
C86165	45C	5360	1972	150	\$123.00	\$123.00	\$0.00	
C86165	45C	5360	1979	70	\$57.40	\$50.22	\$7.18	
C86165	45C	5360	1980	100	\$82.00	\$69.72	\$12.28	
C86165	45C	5360	1982	39,013	\$92,070.68	\$76,283.74	\$15,786.94	
C86165	45C	5360	1983	15	\$35.40	\$28.37	\$7.03	
C86165	45C	5360	1999	225	\$8,977.59	\$304.34	\$8,673.25	
CABLE 0025PR 22G 0021-0038PR				TOTAL AIC: 5360	54,951	\$113,956.03	\$89,469.35	\$24,486.68
C86165	45C	5362	1980	24,759	\$25,006.59	\$21,261.00	\$3,745.59	
C86165	45C	5362	1982	10,679	\$22,959.85	\$19,023.03	\$3,936.82	
C86165	45C	5362	1988	120	\$309.60	\$196.57	\$113.03	
CABLE 0025PR 24G 0021-0038PR				TOTAL AIC: 5362	35,558	\$48,276.04	\$40,480.60	\$7,795.44
C86165	45C	5366	1971	140	\$152.60	\$152.60	\$0.00	
C86165	45C	5366	1974	1,010	\$1,100.90	\$1,072.09	\$28.81	
C86165	45C	5366	1976	2,715	\$2,959.35	\$2,778.26	\$181.09	
C86165	45C	5366	1977	706	\$769.54	\$707.29	\$62.25	

C86165	45C	5366	1979	700	\$763.00	\$667.55	\$95.45
C86165	45C	5366	1980	585	\$637.65	\$542.14	\$95.51
C86165	45C	5366	1982	80	\$156.00	\$129.25	\$26.75
C86165	45C	5366	1990	295	\$1,864.40	\$1,028.44	\$835.96
CABLE 0025PR 26G 0021-0038PR TOTAL AIC: 5366 6,231 \$8,403.44 \$7,077.62 \$1,325.82							
C86165	45C	5376	1966	2,164	\$2,402.04	\$2,402.04	\$0.00
C86165	45C	5376	1976	133	\$147.63	\$138.60	\$9.03
C86165	45C	5376	1980	14	\$15.54	\$13.21	\$2.33
C86165	45C	5376	1982	6,370	\$21,466.90	\$17,786.07	\$3,680.83
C86165	45C	5376	1983	90	\$313.20	\$251.02	\$62.18
CABLE 0050PR 22G 0039-0063PR TOTAL AIC: 5376 8,771 \$24,345.31 \$20,590.94 \$3,754.37							
C86165	45C	5378	1975	5,628	\$8,385.72	\$8,025.31	\$360.41
C86165	45C	5378	1978	360	\$536.40	\$481.60	\$54.80
C86165	45C	5378	1979	380	\$566.20	\$495.37	\$70.83
C86165	45C	5378	1980	5,462	\$8,138.38	\$6,919.38	\$1,219.00
C86165	45C	5378	1988	60	\$217.20	\$137.90	\$79.30
CABLE 0050PR 24G 0039-0063PR TOTAL AIC: 5378 11,890 \$17,843.90 \$16,059.56 \$1,784.34							
C86165	45C	5380	1963	320	\$345.60	\$345.60	\$0.00
C86165	45C	5380	1971	446	\$481.68	\$481.68	\$0.00
C86165	45C	5380	1974	6,314	\$6,819.12	\$6,640.67	\$178.45
C86165	45C	5380	1975	640	\$691.20	\$661.49	\$29.71
C86165	45C	5380	1978	440	\$475.20	\$426.65	\$48.55
C86165	45C	5380	1980	3,020	\$3,261.60	\$2,773.06	\$488.54
C86165	45C	5380	1982	60	\$154.20	\$127.76	\$26.44
CABLE 0050PR 26G 0039-0063PR TOTAL AIC: 5380 11,240 \$12,228.60 \$11,456.92 \$771.68							
C86165	45C	5386	1963	15,923	\$24,999.11	\$24,999.11	\$0.00
CABLE 0075PR 19G 0064-0088PR TOTAL AIC: 5386 15,923 \$24,999.11 \$24,999.11 \$0.00							
C86165	45C	5390	1982	10,934	\$43,626.66	\$36,146.20	\$7,480.46
CABLE 0075PR 22G 0064-0088PR TOTAL AIC: 5390 10,934 \$43,626.66 \$36,146.20 \$7,480.46							
C86165	45C	5394	1966	275	\$330.00	\$330.00	\$0.00

CABLE 0075PR 26G 0064-0088PR		TOTAL AIC: 5394		275	\$330.00	\$330.00	\$0.00
C86165	45C	5402	1963	14,981	\$31,310.29	\$31,310.29	\$0.00
CABLE 0100PR 19G 0089-0125PR		TOTAL AIC: 5402		14,981	\$31,310.29	\$31,310.29	\$0.00
C86165	45C	5406	1971	25	\$49.50	\$49.50	\$0.00
C86165	45C	5406	1980	21	\$41.58	\$35.35	\$6.23
CABLE 0100PR 22G 0089-0125PR		TOTAL AIC: 5406		46	\$91.08	\$84.85	\$6.23
C86165	45C	5408	1966	10	\$18.50	\$18.50	\$0.00
C86165	45C	5408	1978	12	\$22.20	\$19.93	\$2.27
C86165	45C	5408	1982	49,354	\$195,935.38	\$162,339.24	\$33,596.14
CABLE 0100PR 24G 0089-0125PR		TOTAL AIC: 5408		49,376	\$195,976.08	\$162,377.67	\$33,598.41
C86165	45C	5412	1963	338	\$554.32	\$554.32	\$0.00
C86165	45C	5412	1971	400	\$656.00	\$656.00	\$0.00
C86165	45C	5412	1974	1,575	\$2,583.00	\$2,515.41	\$67.59
C86165	45C	5412	1977	1,520	\$2,492.80	\$2,291.15	\$201.65
C86165	45C	5412	1980	1,678	\$2,751.92	\$2,339.73	\$412.19
CABLE 0100PR 26G 0089-0125PR		TOTAL AIC: 5412		5,511	\$9,038.04	\$8,356.61	\$681.43
C86165	45C	5436	1982	10,966	\$67,111.92	\$55,604.55	\$11,507.37
CABLE 0200PR 24G 0176-0250PR		TOTAL AIC: 5436		10,966	\$67,111.92	\$55,604.55	\$11,507.37
C86165	45C	5438	1974	2,924	\$6,637.48	\$6,463.79	\$173.69
C86165	45C	5438	1980	1,411	\$3,202.97	\$2,723.22	\$479.75
CABLE 0200PR 26G 0176-0250PR		TOTAL AIC: 5438		4,335	\$9,840.45	\$9,187.00	\$653.45
C86165	45C	5450	1980	3,780	\$14,250.60	\$12,116.09	\$2,134.51
CABLE 0300PR 24G 0251-0350PR		TOTAL AIC: 5450		3,780	\$14,250.60	\$12,116.09	\$2,134.51
C86165	45C	5452	1974	1,040	\$3,442.40	\$3,352.32	\$90.08
CABLE 0300PR 26G 0251-0350PR		TOTAL AIC: 5452		1,040	\$3,442.40	\$3,352.32	\$90.08
C86165	45C	5462	1980	1,040	\$4,940.00	\$4,200.07	\$739.93

	CABLE 0400PR 24G 0351-0425PR		TOTAL AIC: 5462	1,040	\$4,940.00	\$4,200.07	\$739.93
C86165		45C	5492	1974	660	\$3,841.20	\$100.52
C86165		45C	5492	1975	10	\$58.20	\$2.50
	CABLE 0600PR 26G 0501-0750PR		TOTAL AIC: 5492	670	\$3,899.40	\$3,796.38	\$103.02
			TOTAL FRC: 45C		607,614	\$1,221,860.48	\$205,979.82
			TOTAL ACCOUNT: 2423 BURIED CABLE MET		607,614	\$1,221,860.48	\$205,979.82
C86165	2423 BURIED CABLE NON MET	845C	5012	1992	2,204	\$9,455.16	\$5,615.91
	CABLE FIBER OPTIC 0012 FIBERS		TOTAL AIC: 5012	2,204	\$9,455.16	\$3,839.25	\$5,615.91
C86165		845C	5048	1992	10,430	\$54,653.20	\$32,461.36
	CABLE FIBER OPTIC 0048 FIBERS		TOTAL AIC: 5048	10,430	\$54,653.20	\$22,191.84	\$32,461.36
C86165		845C	5060	1992	7,014	\$31,072.02	\$18,455.28
	CABLE FIBER OPTIC 0060 FIBERS		TOTAL AIC: 5060	7,014	\$31,072.02	\$12,616.74	\$18,455.28
			TOTAL FRC: 845C		19,648	\$95,180.38	\$56,532.54
			TOTAL ACCOUNT: 2423 BURIED CABLE NON MET		19,648	\$95,180.38	\$56,532.54
C86165	2426 INTRA BLDG CA MET	62C	5378	1978	15	\$34.35	\$0.00
	CABLE 0050PR 24G 0039-0063PR		TOTAL AIC: 5378	15	\$34.35	\$34.35	\$0.00
C86165		62C	5380	1974	20	\$72.20	\$0.00
C86165		62C	5380	1982	10	\$46.60	\$0.85
	CABLE 0050PR 26G 0039-0063PR		TOTAL AIC: 5380	30	\$118.80	\$117.95	\$0.85
			TOTAL FRC: 62C		45	\$153.15	\$0.85

TOTAL ACCOUNT: 2426 INTRA BLDG CA MET				45	\$153.15	\$152.30	\$0.85
C86165	2431 AERIAL WIRE	3C	1998	\$83.18	\$41.03	\$42.15	
TOTAL FRC: 3C				\$83.18	\$41.03	\$42.15	
TOTAL ACCOUNT: 2431 AERIAL WIRE				\$83.18	\$41.03	\$42.15	
TOTAL LOCATION: C86165				627,312	\$1,854,240.79	\$1,367,926.62	\$486,314.17
C86542	2111 LAND	20C	1982	\$8,779.04	\$0.00	\$8,779.04	
TOTAL FRC: 20C				\$8,779.04	\$0.00	\$8,779.04	
TOTAL ACCOUNT: 2111 LAND				\$8,779.04	\$0.00	\$8,779.04	
C86542	2121 BUILDINGS	210C	1982	\$94,502.62	\$27,010.42	\$67,492.20	
C86542		210C	1984	\$287.43	\$78.22	\$209.21	
C86542		210C	1990	\$228.11	\$38.97	\$189.14	
TOTAL FRC: 210C				\$95,018.16	\$27,127.61	\$67,890.55	
TOTAL ACCOUNT: 2121 BUILDINGS				\$95,018.16	\$27,127.61	\$67,890.55	
C86542	2231 RADIO SYSTEMS	67C	1982	\$291.04	\$269.85	\$21.19	
C86542		67C	1985	\$208.00	\$184.28	\$23.72	
TOTAL FRC: 67C				\$499.04	\$454.13	\$44.91	
TOTAL ACCOUNT: 2231 RADIO SYSTEMS				\$499.04	\$454.13	\$44.91	
TOTAL LOCATION: C86542				\$104,296.24	\$27,581.75	\$76,714.49	
C86543	2121 BUILDINGS	210C	1982	\$178,921.24	\$51,138.67	\$127,782.57	
C86543		210C	1984	\$2,112.76	\$574.93	\$1,537.83	

C86543	210C	1985	\$18,186.26	\$4,957.58	\$13,228.68	
C86543	210C	1986	\$14,689.94	\$3,288.86	\$11,401.08	
TOTAL FRC: 210C			\$213,910.20	\$59,960.04	\$153,950.16	
TOTAL ACCOUNT: 2121 BUILDINGS			\$213,910.20	\$59,960.04	\$153,950.16	
TOTAL LOCATION: C86543			\$213,910.20	\$59,960.04	\$153,950.16	
C86849	2232 CIRCUIT DIGITAL	357C	1974	\$122.08	\$122.08	\$0.00
C86849		357C	1977	\$1,452.60	\$1,452.60	\$0.00
C86849		357C	1978	\$1,340.80	\$1,340.80	\$0.00
C86849		357C	1979	\$25,165.48	\$25,165.48	\$0.00
C86849		357C	1981	\$869.35	\$869.35	\$0.00
C86849		357C	1982	\$10,917.87	\$10,917.87	\$0.00
C86849		357C	1984	\$587.39	\$587.39	\$0.00
C86849		357C	1985	\$940.91	\$935.33	\$5.58
C86849		357C	1988	\$1,070.12	\$977.89	\$92.23
C86849		357C	1989	\$1,935.19	\$1,702.85	\$232.34
C86849		357C	1991	\$1,092.00	\$871.25	\$220.75
TOTAL FRC: 357C			\$45,493.79	\$44,942.89	\$550.90	
TOTAL ACCOUNT: 2232 CIRCUIT DIGITAL			\$45,493.79	\$44,942.89	\$550.90	
TOTAL LOCATION: C86849			\$45,493.79	\$44,942.89	\$550.90	
<u>GRAND TOTAL</u>		<u>627,312</u>	<u>\$2,217,941.02</u>	<u>\$1,500,411.29</u>	<u>\$717,529.73</u>	

ATTACHMENT C

MAP

[illegible]**USWEST**

☐ U S WEST Rural
☐ U S WEST Proposed Transaction
☒ U S WEST MSA
 Highway

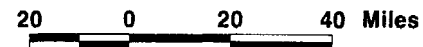


EXHIBIT 1
STATE ORDERS AND LETTERS

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE:

U S WEST COMMUNICATIONS, INC., AND
CITIZENS TELECOMMUNICATIONS
COMPANY OF IOWA

DOCKET NOS. SPU-99-31
WRU-00-29-3047

**ORDER APPROVING PARTIAL SETTLEMENT AGREEMENT,
NOT DISAPPROVING PROPOSED REORGANIZATION,
AUTHORIZING TRANSFER OF CERTIFICATE,
ALLOWING DISCONTINUANCE OF SERVICE,
WAIVING 199 IAC 18.2,
DESIGNATING AS ELIGIBLE TELECOMMUNICATIONS CARRIER,
AND PERMITTING ADOPTION OF PRICE PLAN**

(Issued May 5 , 2000)

On November 9, 1999, U S WEST Communications, Inc. (U S WEST), and Citizens Telecommunications Company of Iowa (Citizens) (collectively, the Applicants) filed a joint application with the Utilities Board (Board) for approval of (1) reorganization, (2) discontinuance of service by U S WEST, (3) transfer of certificate of public convenience and necessity for the exchanges involved, (4) transfer of interexchange service of U S WEST to Citizens for the exchanges involved, (5) waiver of the slamming rule, 199 IAC 22.23, if necessary, (6) designation of Citizens as an Eligible Telecommunications Carrier (ETC) in each of the exchanges involved, and (7) assumption by Citizens of the U S WEST price plan at the rates in effect at the date of closing for the exchanges involved, pursuant to Iowa Code §§ 476.77, 476.20, and 476.29 (1999). Additionally, the

Applicants requested that the Board affirmatively state that it did not object to the Federal Communications Commission (FCC) granting study area waivers, or to any reconfiguration of study area boundaries, for the Iowa exchanges involved in the reorganization. The underlying transaction involves the sale of 32 U S WEST exchanges to Citizens. The Board identified the joint application as Docket No. SPU-99-31 and the slamming rule waiver as Docket No. WRU-00-29-3047.

Pursuant to Iowa Code § 476.77(2) and a motion filed by the Consumer Advocate Division of the Department of Justice (Consumer Advocate), the Board set the application for hearing, extended the review period by 90 days, and set a procedural schedule by an order dated December 16, 1999. AT&T Communications of the Midwest, Inc. (AT&T), was granted intervention by an order dated December 30, 1999.

On February 23, 2000, the Applicants and Consumer Advocate filed a proposed partial settlement agreement and a joint motion for approval of the partial settlement agreement. The proposed settlement was intended to resolve all issues between the Applicants and Consumer Advocate, except the issue concerning the acquisition premium to be paid by Citizens. The only other party to this docket, AT&T, was not a party to the proposed settlement. AT&T did not file comments opposing the partial settlement agreement, nor participate in the hearings held in this docket.

On February 29, 2000, the hearing on the application opened as scheduled. Following discussion on procedural matters, the hearing was continued to March 29, 2000, at which time the witnesses were made available for cross-examination on the prefiled testimony entered into the evidentiary record and for questions related to the partial settlement agreement. Briefs were filed by Applicants and Consumer Advocate on April 10 and 17, 2000.

Iowa Code § 476.77(3) states:

3. In its review of a proposal for reorganization, the board may consider all of the following:

- a. Whether the board will have reasonable access to books, records, documents, and other information relating to the public utility or any of its affiliates.
- b. Whether the public utility's ability to attract capital on reasonable terms, including the maintenance of a reasonable capital structure, is impaired.
- c. Whether the ability of the public utility to provide safe, reasonable, and adequate service is impaired.
- d. Whether the ratepayers are detrimentally affected.
- e. Whether the public interest is detrimentally affected.

After considering the statutory factors, the Board issued an order on April 28, 2000, indicating that if the parties affirmed the Board's understanding that the parties to the settlement are to be bound by the most rigorous commitments made in the case, the Board would be able to issue an order approving the partial settlement agreement, and not disapproving the reorganization. On May 1, 2000, the Applicants filed a letter representing "that the Board's understanding is correct." Consumer Advocate filed a response

indicating, "OCA agrees with all provisions of the Board's most recent Order in this proceeding."

STATUTORY FACTORS

The statutory factors listed in Iowa Code § 476.77(3) were discussed in detail in the Board's April 28, 2000, order. The discussions relating to those factors will not be duplicated in this order. Because the parties are bound by the most rigorous commitments made at any point in the record in this case, the Board can find that the statutory factors are satisfied. The Board will approve the partial settlement agreement as reasonable when viewed in light of the commitments made in the whole record, consistent with law, and in the public interest. (See 199 IAC 7.2(11)). The Board will not disapprove the reorganization.

OTHER MATTERS

The Board will waive the requirement of 199 IAC 18.2 that all records required by the Board's rules be kept within the state of Iowa. The Board and its staff have been assured reasonable access to the records of Citizens that are to be kept in Plano, Texas. (Tr. 181-82)

Examples of U S WEST's noncompliance with service quality standards in the past were brought to light through this proceeding and the Board will not allow this situation to be continued by Citizens. The Board acknowledges that it

may take some time to bring the service quality into complete compliance. Continuing improvement in the service quality over the 12 months following the date of closing is expected, with full compliance after that interim period. (See Article IV.3 Partial Settlement Agreement). Proposals for enhanced reporting mechanisms agreed to by Consumer Advocate and the Applicants as a part of the settlement will be required to be filed with the Board within 60 days of the date of this order. To ensure that the Board will have all of the information necessary to monitor Citizen's retail service quality, the Board directs its staff to participate in the meetings between Applicants and Consumer Advocate to develop enhanced reporting mechanisms. Until those mechanisms are filed with and approved by the Board, Citizens will be required to file information on its performance in each of the deficient areas on a monthly basis, beginning 30 days after the date of certification.

Turning to the list of other matters in the first paragraph of this order, Iowa Code § 476.20 provides in relevant part that a utility shall not discontinue service to a community unless permission to do so is obtained from the Board. Under 199 IAC 7.12(5), an application to discontinue service incident to a utility property transfer will be granted "if the board finds the transferee is ready, willing, and able to provide comparable utility service." Finally, Iowa Code § 476.29(3) provides for the transfer of a local exchange certificate of public convenience and necessity, subject to the Board's approval pursuant to Iowa Code § 476.20(1).

The Board finds that Citizens is ready, willing, and able to provide comparable utility service such that approval of the discontinuance of service by U S WEST will be granted, effective upon the initiation of service by Citizens. Upon Board approval of appropriate tariffs and maps for Citizens and a statement by Citizens that a 2-PIC methodology for dialing parity is available for all customers, the Board will issue a certificate of public convenience and necessity to Citizens, and terminate this proceeding. The proposed tariff should incorporate the customer billing credit obligations detailed in the partial settlement agreement.

As part of the purchase agreement, the local exchange customers of U S WEST will be transferred to Citizens and Citizens will provide intraLATA long distance service to those customers presently being served by U S WEST. Board rules normally prohibit making any changes to a customer's preferred service provider without first obtaining written or recorded verification of the customer's consent to the change. See 199 IAC 22.23. Applicants request a waiver of that rule to permit the transfer without obtaining and verifying the consent of every U S WEST customer in these 32 exchanges.

The purpose behind the Board rule is to prevent unauthorized changes in a customer's telecommunications service, a form of fraud known as "slamming." Inherent in the grant of authority to discontinue service by one company and the transfer of its certificate of public convenience and necessity is recognition that the customers will be transferred to the new certificate holder. The Board finds

that this transfer of all customers to the new certificate holder is not a prohibited change in telecommunications service under 199 IAC 22.23(2), which states that "[N]o telecommunications carrier shall submit a preferred carrier change order to another service provider." No change order is being submitted in the situation of discontinuance of service by one company and a transfer of its certificate to another company pursuant to Iowa Code §§ 476.20 and 476.29 (1999). A waiver is not necessary, because 199 IAC 22.23 is not applicable to this transfer of customers.

U S WEST is currently designated as an ETC, pursuant to 47 U.S.C. § 214(e), in its Iowa exchanges. Citizens requests designation as an ETC for the 32 exchanges upon the close of the transaction. Citizens has agreed to satisfy all of the requirements and will offer all of the services designated for universal service support in chapter 39 of the Board's rules. (Tr. 130) No party opposes designation of Citizens as an ETC and the Board will grant its request for that designation.

In considering the effect on ratepayers, the Board noted in its April 28, 2000, order that Applicants had asserted that the reorganization would be reasonably transparent to the ratepayers because of Citizens request to adopt U S WEST's local service rates and charges and the U S WEST price plan. The current price plan is effective until November 2001, and has the possibility of

being continued for another three years. The Board will approve the request of Citizens to adopt the price plan of U S WEST.

According to the joint application, a condition of this reorganization is receipt of the necessary approval of the FCC. The joint application filed with the FCC includes a petition for a study area waiver. It has been the FCC's policy to not accept such petitions until the state regulatory agency has indicated that it does not object to changes in the study area boundaries. The Board affirmatively states that it does not object to the request by Applicants that a study area waiver be granted by the FCC.

ORDERING CLAUSES

IT IS THEREFORE ORDERED:

1. The motion to approve the partial settlement agreement filed by U S WEST Communications, Inc., Citizens Telecommunications Company of Iowa, and the Consumer Advocate Division of the Department of Justice on February 23, 2000, is granted. The approval is based on the Board's interpretation as expressed in its April 28, 2000, order in this docket, and the affirmation by the parties to the partial settlement agreement of the Board's interpretation.
2. The Board does not disapprove the joint application for approval of reorganization filed by U S WEST and Citizens on November 9, 1999.

3. Applicants shall promptly file with the Board any material changes to the proposed reorganization that may occur, up to the time of closing. The filing shall include an analysis of the impact of any changes. Any closing shall be delayed by a minimum of five business days to permit the Board and the parties to this proceeding an opportunity to evaluate the potential impact of the change.

4. The request for a transfer of certificate of public convenience and necessity is granted, subject to the requirements that follow:

- a. At least 30 days prior to closing, Citizens shall file a proposed tariff for Board review and approval that will incorporate the commitments discussed in the April 28, 2000, order and this order, including all customer billing credit obligations.
- b. At least 30 days prior to closing, Citizens shall file proposed service area maps, or adopt the current U S WEST service area maps for these 32 exchanges.
- c. At least 30 days prior to closing, Citizens shall file a statement that a 2-PIC methodology for dialing parity is available for all customers.

5. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by Citizens, approval of service area maps, and a statement that a 2-PIC methodology for dialing parity is available

for all customers, the Board will issue a certificate of public convenience and necessity in the name of Citizens Telecommunications Company of Iowa, allowing it to provide local exchange service in Iowa.

6. At the time Citizens begins to provide service US WEST shall be allowed to discontinue service to the 32 exchanges.

7. Citizens is hereby ordered to make the following filings:

a. As soon as the plans are finalized, and in no event later than 30 days from the date of this order, Citizens shall file the details of its plans to address the service problems in those exchanges where U S WEST has experienced repeated violations of the trouble report rule, 199 IAC 22.6(3)"h."

b. Citizens shall file monthly service quality reports based upon the service quality standards in 199 IAC 22.6. Such reports shall be filed 30 days after the end of each month beginning with the first full month Citizens provides service until the Board orders otherwise.

c. Prior to closing, and each month thereafter, Citizens shall file updates detailing the progress experienced in establishing a cellular loaner program, until the program is implemented.

d. Prior to closing, Citizens shall provide the names and business locations of management personnel having responsibility for its Iowa exchanges. Additionally, Citizens shall provide updated